

**State Fiscal Year 2003 Community Services Performance Contract  
for Operating Community Services Boards and  
Behavioral Health Authorities**


**Virginia Department of Mental Health, Mental Retardation  
and Substance Abuse Services**

**May 6, 2002**

**SFY 2003 Community Services Performance Contract  
for Operating CSBs and Behavioral Health Authorities**

**Attachment 6.5.9: Local Government Acceptance of Funds and Approval of  
Community Services Performance Contract**

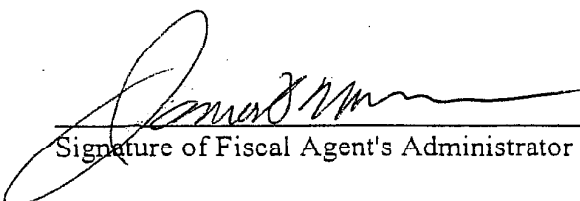
1. Name of Board: Colonial Services Board
2. City or County designated as  
as Board's Fiscal Agent: County of York
3. Name of the Fiscal Agent's City Manager or County Administrator or Executive:  
  
Name: James McReynolds Title: County Administrator
4. Name of the Fiscal Agent's County/City Treasurer or Director of Finance:  
  
Name: Deborah B. Robinson Title: Treasurer, County of York
5. Name of the Fiscal Agent official to whom checks should be electronically transmitted:  
  
Name: Deborah B. Robinson Title: Treasurer, County of York  
  
Address: P.O. Box 251  
  
Yorktown, VA 23690
6. The Board's board of directors certifies that, to the best of its knowledge and belief, the data and information in this performance contract are true and correct and that its entry into this contract has been duly authorized by a formal vote of the board of directors in an open, public meeting of the board. This signature affirms the board's approval of this performance contract.

  
Signature of Board Chairman

June 20, 2002

Date

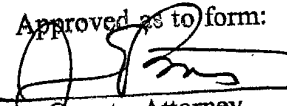
7. This signature indicates receipt of a board-approved copy of this performance contract and an agreement by the Board's Fiscal Agent to accept state and federal funds from the Department that are included in this contact.

  
Signature of Fiscal Agent's Administrator or Manager

7/11/02  
Date

Approved as to form:

O-1.

  
County Attorney

05-06-2002

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

### **1.0 Introduction**

**Whereas**, Title 37.1 of the *Code of Virginia* establishes the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services, hereinafter referred to as the Department, to ensure the delivery of publicly-funded services and supports to citizens of the Commonwealth with mental illnesses, mental retardation, or substance dependence or abuse and authorizes the Department to fund community mental health, mental retardation, and substance abuse services; and

**Whereas**, §§ 37.1-194 through 202.1 of the *Code of Virginia* require cities and counties to establish, singly or in combination with other jurisdictions, community services boards for the purpose of providing, directly or contractually, publicly-funded local mental health, mental retardation, and substance abuse services; and

**Whereas**, § 37.1-194.1 of the *Code of Virginia* defines three types of community services boards: operating community services boards, administrative policy community services boards, and policy-advisory community services boards with local government departments; and

**Whereas**, §§ 37.1-242 through 253 of the *Code of Virginia* authorize certain cities or counties to establish behavioral health authorities that plan and provide, directly or contractually, publicly-funded local mental health, mental retardation, and substance abuse services; and

**Whereas**, relationships between the different types of community services boards or behavioral health authorities and their local governments or the Department vary significantly, in terms of structure, accountability, oversight, support, and supervision, and these variations are reflected in this version of the performance contract for operating community services boards and behavioral health authorities; and

**Whereas**, throughout this contract the operating community services board or behavioral health authority named below will be referred to as the Board; and

**Whereas**, § 37.1-197.1 of the *Code of Virginia* requires the Board to function as the single point of entry into the publicly-funded mental health, mental retardation, and substance abuse services system; and

**Whereas**, the Department desires to fund the provision of community mental health, mental retardation, and substance abuse services that:

1. address the specific needs of individual consumers,
2. support consumer and family participation in planning services and choice among providers,
3. achieve enhanced accountability for consumer and provider outcomes, and
4. encourage private sector provision of services to the extent possible; and

**Whereas**, §§ 37.1-198 and 248.1 of the *Code of Virginia* establish this performance contract as the primary accountability and funding mechanism between the Department and the Board; and

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Whereas, the Colonial Services Board hereinafter referred to as the Board, which, unless it is otherwise clear from the context or is so stated, shall be construed to include the agency as well as its appointed board members, is applying for the assistance provided under Chapter 10 or 15 of Title 37.1 of the *Code of Virginia* by submitting this performance contract to the Department in accordance with § 37.1-198 or 248.1 of the *Code of Virginia*;

Now Therefore, the Department enters into this performance contract with the Board for the purpose of funding services provided by the Board in a manner that ensures accountability to the Department and quality of care for consumers and, in consideration of the mutual covenants and stipulations set out herein, the Department and the Board agree as follows.

**2.0 Term:** This contract shall be in effect for a term of one year, commencing on July 1, 2002 and ending on June 30, 2003.

**3.0 Definitions:** The following words and terms, when used in this contract, shall have the following meaning, unless the context clearly indicates otherwise.

*Access* means the availability of appropriate services to people who need them in a manner that facilitates their use.

*Active Case* means a case in which a consumer who has been admitted for an episode of care is not yet discharged and has received any face-to-face service within the last 90 days.

*Administrative and Management Expenses* means the expenses incurred by the Board for its administrative functions and the administrative and management support of services that it provides. This may include, but not be limited to: financial management, accounting, reimbursement, procurement, human resources management, information technology services, clerical support, clinical or service management and supervision, policy development, strategic planning, resource development and acquisition, facility and transportation management and maintenance, intergovernmental relations, Board member support, and media relations. These functions may be centralized or included in programs and services, depending on the Board's organization and structure.

*Admission* means the process by which the Board accepts a person for assessment to determine need for services. Admission is to the Board, not to a specific program. All persons seen face-to-face for an assessment are admitted to the Board and a medical record is opened. Consumers who will be receiving services through a Board-contracted program are admitted to the Board, based upon a face-to-face clinical assessment. See section 5.3.5 of this contract for more details.

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*Behavioral Health Authority (BHA)* means the local agency, established by a city or county under § 37.1-242 et seq. of the *Code of Virginia*, that plans, provides (directly or through contracts), and evaluates mental health, mental retardation, and substance abuse services in the locality that it serves.

*Case Management CSB* means the Board that serves the area in which the consumer resides. The case management CSB is responsible for case management, liaison with the state facility when a person is admitted to a state psychiatric facility or training center, and predischarge planning. Any change in case management CSB for a consumer shall be implemented in accordance with the current *Discharge Planning Protocols*, which are incorporated by reference as part of this contract, to ensure a smooth transition for the consumer and the CSB. Case management CSB also means the Board to which bed day utilization is assigned, beginning on the day of admission, for an episode of care and treatment when a consumer is admitted to a state facility.

*Closed Case* means a case in which a consumer has been discharged from an episode of care.

*Consumer* means a current direct recipient of publicly-funded community or state facility mental health, mental retardation, or substance abuse treatment or habilitation services.

*Consumer Outcome Measures* means indicators that describe at the consumer level what the individual is able to achieve, based on his goals and abilities, with the support and assistance that he receives from the provider. These indicators can be used to gauge the effectiveness of services for a specific condition and the results of episodes of care.

*Culturally-Competent Services* means services delivered within a system that is sensitive to the cultural needs and differences of the populations being served.

*Discharge* means the process by which the Board releases a person from an episode of care, thereby closing the consumer's medical record. Discharge occurs at the Board level, as opposed to release from a specific service or program. See section 5.3.6 in this contract.

*Enrollment* means the process by which the Board or Board-contracted program accepts a person into a program for services for an identified condition or, for persons with mental retardation, an identified support need. Enrollment implies an intention for the consumer to receive ongoing services under the direction of the consumer's individualized services plan (ISP) or plan of care. When the consumer has completed receiving services from a particular program in which he was enrolled, he is dis-enrolled from that program. When that consumer has completed receiving all services in all programs in which he was enrolled, he has completed the current episode of care and is discharged. See section 5.3.5 for more details.

*Episode of Care* includes all of the services provided to a consumer to address an identified condition or support need over a continuous period of time between an admission and a discharge. An episode of care may consist of a single face-to-face encounter or multiple services provided through one or more programs.

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*Inactive Case* means a case that does not meet the criteria for an active case, but has not yet been closed (i.e., the person has not been discharged). When a person returns for services prior to discharge, the person's case is returned to an active status, and the Board does not readmit the consumer. That is, services provided within the 180 day period (refer to section 5.3.6) are considered to be part of the same episode of care until the time of that consumer's discharge. This definition does not apply to individuals receiving respite services (supervised or supportive residential services) or summer camp services (alternative day support services).

*Individualized Services Plan* or ISP means a written plan, developed with the participation of the consumer, that identifies the needs and desires of the consumer and the strategies and treatment interventions to be used to meet those needs and desires. The ISP defines and describes measurable goals, objectives, and expected outcomes of services and is designed to meet the needs of a specific consumer. The ISP is sometimes referred to as a consumer services plan (CSP) or a plan of care, treatment plan, or habilitation plan.

*Letter of Notification* means the formal notice sent by the Department to the Board that lists the Board's allocations of state general and federal funds for the contract period. Revised letters may be issued by the Department during the term of the contract to adjust (i.e., increase or decrease) allocations of state general and federal funds.

*Mental Retardation*, as defined by the *Code of Virginia*, means substantial subaverage general intellectual functioning which originates during the developmental period and is associated with impairment in adaptive behavior. For the purposes of this contract, mental retardation includes the American Association on Mental Retardation definition, provided here for additional clarity, which refers to substantial limitations in present functioning. It is characterized by significantly subaverage intellectual functioning, existing concurrently with related limitations (the limitations in adaptive skills are more closely related to the intellectual limitation than to some other circumstances such as cultural or linguistic diversity or sensory limitation) in two of more of the following applicable adaptive skills areas: communication, self-care, home living, social skills, community use, self-direction, health and safety, functional academics, leisure, and work. The existence of limitations in adaptive skills occurs within the context of community environments typical of the individual's age peers and is indexed to the person's individualized needs for supports. Mental retardation manifests before age 18. A diagnosis of mental retardation is made independent of related mental disorders (e.g., autistic disorder and learning disorders) and general medical conditions (e.g., epilepsy and cerebral palsy). Intellectual functioning alone may be insufficient to diagnose mental retardation. Limitations in adaptive skills areas are also typically present.

*Operating Community Services Board* (CSB or Board) means the public body, organized in accordance with the provisions of Title 37.1, Chapter 10 of the *Code of Virginia*, that is appointed by and accountable to the local governing body of each political subdivision that established it for the provision of mental health, mental retardation, and substance abuse services. *Operating CSB* denotes the board, the members of which are appointed pursuant to § 37.1-195 with the powers and duties enumerated in § 37.1-197.A and § 37.1-197.1 of the

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*Code of Virginia. Operating CSB* also includes the organization that provides such services, through its own staff or through contracts with other providers, unless the specific context indicates otherwise. An *operating CSB* employs its own staff, and it is not a city or county government department.

*Performance Contract Funds* means state-controlled funds (state general funds and federal funds appropriated by the General Assembly and allocated by the Department to the Board, the minimum 10 percent local matching funds required by § 37.1-199 of the *Code of Virginia* and State Board Policy 4010 to receive allocations of state general funds, and balances of unexpended or unencumbered state general funds retained by the Board), Medicaid State Plan Option (SPO) and Mental Retardation Home and Community-Based Waiver (MR Waiver) fees, and other fees or revenues associated with individualized services plans or identified special projects or specific initiatives that are paid for using the preceding funds. Performance contract funds also may include additional local matching funds, which are above the 10 percent amount or are appropriated for services supported completely by such funds, that would be included in Exhibit A, Attachment 5.1 to this contract.

*Priority Populations* means those groups of individuals, identified by using the screening instruments contained in Attachment 5.8, that have the most serious or severe disabilities, measured in terms of diagnosis, functional criteria, and presence of multiple disabilities.

### **Mental Health Priority Populations are:**

- **adults:** adults with serious mental illnesses, assessed along three dimensions: diagnosis, functional impairment, and duration;
- **children and adolescents:** individuals, birth through age 17, with a serious emotional disturbance assessed on two dimensions, diagnosis and functional impairment; and
- **at risk children and adolescents:** individuals, birth through age 17, who are at risk of serious emotional disturbance.

### **Mental Retardation Priority Populations are:**

- **mental retardation:** adults or children 3 years of age or older who have a confirmed diagnosis of mental retardation; and
- **cognitive delay/early intervention:** children 3 to 6 years of age who have a confirmation of cognitive developmental delay within one year of this priority populations assessment or children under 3 years of age with confirmed eligibility for Part C of IDEA.

### **Substance Abuse Priority Populations are:**

- **substance dependence:** individuals with a substance dependence (addiction) diagnosis, as defined by the Diagnostic and Statistical Manual IV (DSM IV), and use in the past 12 months (use is not required if the person has been incarcerated for 12 months or more and seeks treatment within 60 days of release);

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- **substance abuse in a target population:** individuals with a substance abuse diagnosis, as defined by the DSM IV, and use in the past 12 months **if the person is** a child or adolescent (less than 18 years old), pregnant, a woman who has legal custody of and lives with dependent children (under the age of 18), or belongs to the adult mental health priority population; and
- **substance-related violence:** individuals who have exhibited violent behavior in the past 12 months related to substance use that resulted in intervention by the mental health or judicial system. These behaviors include: damaging or destroying property, physical assault, threats of physical violence, and self-injury. Driving while intoxicated arrests do not meet the definition of violence.

*Program Area* means the general classification of service activity for a defined population. There are three program areas in the publicly-funded services system: mental health, mental retardation, and substance abuse.

*Provider Performance Measures* means the indicators that describe at the program area level what the provider was able to achieve, based on preestablished goals and objectives.

*Quality Improvement* means continuously planning, measuring, and assessing performance to improve services, processes, and consumer outcomes.

*Service Area* means the geographic area (city and county names) that the Board serves.

*Service Capacity* measures the ability of the Board to offer a particular service. There are three types of service capacity:

1. **Number of Beds** is the total number of beds for which the program is licensed and staffed or the number of beds contracted for during the contract term;
2. **Number of Slots** is the maximum number of individual consumers who could be served during a day or a half-day session in day support programs and for which the program or service is staffed; and
3. **Number of Consumer Service Full Time Equivalents (FTEs)** is the number of staff providing services to consumers converted to a standardized number of FTEs by dividing total number of hours available from full and part time direct care staff by the number of hours in the organization's standard work week annualized.

*Service Units* measure the volume of services provided. There are four types of units:

1. **Provider Service Hour** is a continuous period measured in fractions or multiples of an hour that identifies the amount of staff effort (hours) related to provision of direct and consumer-related services to consumers;
2. **Bed Day** involves an overnight stay by a consumer in a residential or inpatient program, facility, or service;
3. **Day Support Hour** is one hour of service received in a day support service; and



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4. **Day of Service** is five or more hours of service received by a consumer in a day support service. If a session lasts three or more but less than five hours, it is a half day.

*State Board* means the State Mental Health, Mental Retardation and Substance Abuse Services Board.

*State-controlled funds* means state general and federal funds appropriated by the General Assembly and allocated by the Department to the Board for the provision of community mental health, mental retardation, and substance abuse services, the minimum 10 percent local matching funds required by § 37.1-199 of the *Code of Virginia* and State Board Policy 4010 to receive allocations of state general funds, and balances of unexpended or unencumbered state general funds retained by the Board.

*Subcontract* means a written agreement between the Board and a third party, under which the third party performs any of the Board's obligations under this contract. Subcontracts, unless the context or situation supports a different interpretation or meaning, also may include agreements, memoranda of understanding, purchase orders, contracts, or other similar documents for the purchase by the Board of services or goods from another organization or agency or a person on behalf of an individual consumer.

*Subcontractor* means an entity that agrees to furnish services to consumers or to perform any administrative function or service for the Board specifically related to fulfilling the Board's obligations to the Department.

*Substance Abuse*, as defined by DSM IV, means a maladaptive pattern of substance use manifested by recurrent and significant adverse consequences related to the repeated use of substances. It leads to clinically significant impairment or distress, as manifested by one (or more) of the following occurring within a 12-month period:

1. recurrent substance use resulting in a failure to fulfill major role obligations at work, school, or home (e.g., repeated absences or poor work performance related to substance use; substance-related absences, suspensions, or expulsions from school; neglect of children or household);
2. recurrent substance use in situations in which it is physically hazardous (e.g., driving an automobile or operating a machine when impaired by substance use);
3. recurrent substance-related legal problems (e.g., arrests for substance-related disorderly conduct); and
4. continued substance use despite having persistent or recurrent social or interpersonal problems caused or exacerbated by the effects of the substance (e.g., arguments with spouse about consequences of intoxication, physical fights).

The symptoms have never met the criteria for substance addiction (dependence).

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*Substance Addiction (Dependence)* means uncontrollable substance-seeking behavior involving compulsive use of high doses of one or more substances resulting in substantial impairment of functioning and health. Tolerance and withdrawal are characteristics associated with dependence. DSM IV defines substance dependence as a maladaptive pattern of substance use, leading to clinically significant impairment or distress, as manifested by three (or more) of the following, occurring at any time in the same 12-month period:

1. tolerance, as defined by a need for markedly increased amounts of the substance to achieve intoxication or desired effect or markedly diminished effect with continued use of the same amount of the substance;
2. withdrawal, as manifested by the characteristic withdrawal syndrome for the substance or the same (or a closely related) substance is taken to relieve or avoid withdrawal symptoms;
3. the substance is often taken in larger amounts or over a longer period than was intended;
4. there is a persistent desire or unsuccessful efforts to cut down or control substance use;
5. a great deal of time is spent on activities necessary to obtain the substance, use the substance, or recover from its effects;
6. important social, occupational, or recreational activities are given up or reduced because of substance use; and
7. the substance use is continued despite knowledge of having a persistent or recurrent physical or psychological problem that is likely to have been caused or exacerbated by the substance.

### 4.0 Payment for Services

**4.1 Allocations of State General and Federal Funds:** The Department may allocate amounts of state general and federal funds to the Board in one or more of the following categories: ongoing services funds, purchase of individualized services (POIS) funds, and special project funds. Allocations of state general and federal funds shall not be based on or tied to numbers of individuals in priority populations. The Department shall inform the Board of its allocations in a letter of notification. Allocation amounts may be adjusted during the term of this contract by the Department. All adjustments shall be communicated to the Board in writing by the Commissioner or his designee.

**4.2 Payment Methods:** The Department shall disburse payments of state general and federal funds for the three categories of allocations in the following manner. Payments will be made in accordance with the provisions of Attachment 6.2.2 to this contract. The Department may withhold payments if the required reports have not been received in accordance with the provisions of Attachments 5.7.1 and 6.2.2 to this contract or the Board is not in substantial compliance with this contract.

1. Payments of state general and federal funds for **ongoing services** shall be disbursed prospectively on a semi-monthly basis to the Board. Payments may be revised to reflect funding adjustments.

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2. Payments of state general and federal funds for the **purchase of individualized services** (POIS) may be disbursed on a semi-monthly or monthly basis to the Board for individualized services plans (ISPs) that have been reviewed and approved by the Department. Depending on how the purchase of individualized services is structured:
  - a. funds may be disbursed prospectively or retrospectively; and
  - b. the Department may retain unexpended state general or federal funds through adjustments to these allocations during the contract period or payments to the Department or adjustments to future funding allocations after the end of this contract.

The Board shall collect and utilize all available revenues from other appropriate sources (e.g., Medicaid-fee-for service, State Plan Option, and MR Waiver payments; other third party payors; auxiliary grants; food stamps; SSI, SSDI, and direct payments by consumers; payments or contributions of other resources from other agencies, such as social services or health departments; and other state, local or Department funding sources) to pay for ISPs. The Department may reduce allocations of state general or federal funds provided to the Board for POIS if the Board fails to comply with this requirement.

3. Payments of state general and federal funds for **special projects** shall be disbursed on a semi-monthly basis to the Board after the project is approved by the Department. Depending on the design of the project:
  - a. funds may be disbursed prospectively or retrospectively;
  - b. the Department may retain unexpended state general or federal funds or the Board may retain these funds for reinvestment in the project; and
  - c. financial incentives or disincentives may affect the amount of funds paid to the Board.

The Board shall collect and utilize all available revenues from other appropriate sources (e.g., Medicaid-fee-for service and State Plan Option payments; other third party payors; auxiliary grants; food stamps; SSI, SSDI, and direct payments by consumers; payments or contributions of other resources from other agencies, such as social services or jails; and other state, local or Department funding sources) to pay for special projects. The Department may reduce allocations of state general or federal funds provided if the Board fails to comply with this requirement.

- 4.3 **Performance Contract Funds:** The Board shall identify amounts of performance contract funds that it proposes to use to pay for services in this contract in one or more of the following categories.